

CLEANSING STATEMENT DATED 22 MARCH 2011

ENERJI LTD
ABN 62 009 423 189

This Cleansing Statement has been prepared for the purposes of Section 708(12c)(e) of the Corporations Act (as inserted by ASIC Class Order [CO 10/322])(**Class Order**) to enable fully paid ordinary shares (**Shares**) in the capital of Enerji Ltd (**Company**) to be issued on conversion of convertible zero coupon bonds in the capital of the Company (**Bonds**) valuing \$250,000 (**Quarter Tranche**) and issued to Fortensa Special Opportunities Fund Limited (**Fortensa**) and its affiliates (together the **Subscriber**), to be on-sold to retail investors.

This Cleansing Statement is important and should be read in its entirety.

1. CONTENTS OF THIS CLEANSING STATEMENT

This Cleansing Statement sets out the following:

- (a) background to this Cleansing Statement;
- (b) in relation to the Bonds:
 - (i) the effect of the offer of the Quarter Tranche of Bonds, and the Shares, on the Company;
 - (ii) a summary of the rights and liabilities attaching to the Quarter Tranche of Bonds; and
 - (iii) a summary of the rights and liabilities attaching to Shares;
- (c) information that:
 - (i) has been excluded from a continuous disclosure notice in accordance with the ASX Listing Rules;
 - (ii) is information that investors and their professional advisors would reasonably require for the purpose of making an informed assessment of:
 - (A) the assets and liabilities, financial position and performance, profits and losses and prospects of the Company; and
 - (B) the rights and liabilities attaching to the Initial Tranche of Bonds; and
- (d) other additional information including content relating to the Company's status as a disclosing entity and where documents may be obtained.

2. BACKGROUND TO THIS CLEANSING STATEMENT

Background to the Bond Agreement

On or about 3 November 2010, the Company and Fortensa entered into a bond subscription deed pursuant to which the Company agreed to issue, and Fortensa agreed to acquire, up to 25 tranches of Bonds, each tranche having

an aggregate principal amount of \$1,000,000 (**Bond Agreement**). As announced on 4 February 2011, the Company issued the Initial tranche of Bonds under the Bond Agreement.

The Company and the Subscriber have agreed under the Bond Agreement that the Company can issue a subsequent Tranche of Bonds whilst Bonds from the Initial Tranche of Bonds remain on issue and that a subsequent issue may be in the form of a Quarter Tranche of Bonds.

This Cleansing statement relates to the issue of a Quarter Tranche of Bonds valuing \$250,000 to be issued on or about today 22 March 2011.

Details of the Issue

- (a) (**Purpose**): The principle purpose of issuing the Quarter Tranche of Bonds to the Subscriber is to make further progress payments on Opcon Powerboxes after deducting expenses related to the offer.
- (b) (**Fortensa**): Fortensa is a company incorporated in the Cayman Islands (George Town, Grand Cayman KY-1-9005, Cayman Islands). Fortensa is a multi-strategy investment fund and is an alternative provider of capital to, and investor in, businesses in the Asia-Pacific region. The current investors of Fortensa are individuals of high net worth.
- (c) (**Minimum and Maximum**): A Quarter Tranche of Bonds is being issued, therefore the minimum and maximum for this issue of Bonds is \$250,000.
- (d) (**Convertible Securities and Conversation Price**): The Subscriber has the option of converting the Quarter Tranche of Bonds to Shares at the Conversion Price in accordance with the Terms of the Bonds.
- (e) (**Quotation**): The Bonds will be unlisted. The Company will apply to ASX within 7 days after the date of issue of converted Shares for official quotation of those Shares.
- (f) (**Allotment and Issue**): Allotment and issue of the Quarter Tranche of Bonds will occur in accordance with the Terms of the Bonds and the Bond Agreement.
- (g) (**ASIC Class Order**): The Company is issuing this Cleansing Statement under ASIC Class Order [CO 10/322] so that the Subscriber can on-sell Shares converted from the Quarter Tranche of Bonds to retail investors without disclosure within 12 months of the date of issue of the converted Shares.

A summary of the Terms of the Bonds and a summary of the terms and conditions of the Bond Agreement are set out in section 4 of this Cleansing Statement. The full Terms of the Bonds are set out in Annexure A of the Company's Notice of Meeting dated 15 November 2010.

Share Lending Agreement

Fortensa has entered into a share lending agreement with Gabriellsson Invest AB (a company incorporated in Sweden) (**Share Lender**) as a condition precedent to the Bond Agreement whereby the Share Lender will lend shares to a market value of \$500,000 to the Subscriber until all the Bonds have been fully converted

or the Bond Agreement is terminated whichever is the later (**Share Lending Agreement**). In any event, the Shares will be re-delivered, at the latest, within 7 business days following the expiration of 11 months and 2 weeks after the settlement date.

No Offer or Invitation

The offer of the Quarter Tranche of Bonds is an offer to the Subscriber only and is not made to, and may not be accepted by Shareholders generally or any person other than the Subscriber. Therefore, no offer or invitation is made pursuant to this Cleansing Statement for any person to subscribe for or apply to acquire any Bonds or Shares.

Queries

If you have any queries regarding this Cleansing Statement please contact the Company on (+618) 9287 4000.

3. EFFECT OF THE OFFER OF THE BONDS AND THE SHARES ON THE COMPANY

Pro Forma Balance Sheet

The issue of the Quarter Tranche of Bonds will have an effect on the Company's financial position. Set out below is the consolidated (unaudited) balance sheet of the Company as at 31 December 2010 and the consolidated balance sheet of the Company (pro-forma, unaudited) as at 31 March 2011, incorporating the effects of the issue of the Quarter Tranche of Bonds.

The pro-forma, unaudited balance sheet excludes movements from carrying out general business operations.

Statement of Financial Position as at 31 March 2011

	Audited Consolidated <u>June 2010</u> 000's	Unaudited Consolidated <u>Dec 2010</u> 000's	Unaudited Proforma Consolidated <u>Mar 2011</u> 000's
Assets			
Cash and cash equivalents	3,214	490	480
Other receivables	-	42	42
Total current assets	3,214	532	522
Other receivables	2,386	5,741	5,741
Property, plant and equipment	119	268	268
Intangible assets	-	4,040	3,869
Total non-current assets	2,505	10,049	9,878
Total assets	5,719	10,581	10,400
Liabilities			
Trade and other payables	146	2,041	1,261
Other liabilities	570	59	59
Total current liabilities	716	2,100	1,320

Other Liabilities	-	-	1,000
Total non-current liabilities	-	-	1,000
Total liabilities	762	2,100	2,320
Net assets	4,957	8,482	8,080
Equity			
Share Capital	45,819	47,760	48,408
Reserve	6,123	5,015	5,015
Retained earnings	(46,986)	(44,293)	(45,343)
Total equity attributable to equity holders of the Company	4,956	8,482	8,080
Non-controlling interest	-	-	-
Total equity	4,956	8,482	8,080

Source and Application of Funds

The issue of the Quarter Tranche of Bonds will raise \$250,000. The net proceeds of the issue of the Quarter Tranche of Bonds, expected to amount to approximately \$248,987 after deducting legal fees and the estimated expenses incurred in connection with the issue of the Quarter Tranche of Bonds, will be used by the Company to make further progress payments for Opcon Powerboxes.

Impact on the Maturity Profile of the Company's Debt

The issue of the Quarter Tranche of Bonds represents a medium term liability of the Company and, unless redeemed, converted or purchased and cancelled in accordance with their terms, is due for repayment on 22 March 2016.

As at 22 March 2011, the Company has 75 Bonds on issue and no other borrowings.

Restrictions on the Company's Activities

The Bond Agreement imposes certain restrictions on the activities of the Company either through specific undertakings or events of default but also through conversion adjustments under the Terms of the Bonds. The Terms of the Bonds are summarised in section 4 and set out in full in Annexure A of the Notice of Meeting dated 15 November 2010.

The Company's ability to grant convertible securities or effect changes in its Share capital is restricted for the duration of the period within which any Bonds remain outstanding.

Impact on Capital Structure of Issue of Bonds and Shares on conversion of Bonds

The Company convened a general meeting on 17 December 2010 (**General Meeting**) where the Company received Shareholder approval to issue tranches of Bonds for a period of 15 months of the date of that meeting without the need to obtain Shareholder approval for the purpose of ASX Listing Rule 7.1.

As a result of the issue of the Quarter Tranche of Bonds, the maximum number of Shares that may be issued on conversion of the Quarter Tranche of Bonds is 12,500,000 (assuming a conversion price of \$0.02 being the minimum conversion price under the Bond Agreement), which will increase the number of quoted Shares on issue from 640,311,761 Shares to approximately 652,811,761 Shares.

Effect on capital structure

The effect of the issue of the Quarter Tranche of Bonds on the capital structure of the Company is set out below (assuming a conversion price of \$0.02 being the minimum conversion price under the Bond Agreement).

Impact on capital structure of the issue of the Quarter Tranche of Bonds:

Security	Pre issue of the Quarter Tranche of Bonds	Post issue of the Quarter Tranche of Bonds ¹	Assuming full conversion of the Quarter Tranche of Bonds ²
Shares quoted on ASX	598,610,343	598,610,343	611,110,343
Convertible Bonds	75	100	75
Shares quoted Not on ASX	41,701,418	41,701,418	41,701,418
Options	64,737,700	64,737,700	64,737,700

1. Assuming no additional securities are issued by the Company or convertible securities exercised.
2. Assuming no additional securities are issued by the Company, other than Shares issued upon conversion of the Bonds.
3. The Bonds are subject to adjustment to the conversion price in accordance with part 4 of the Terms of Bonds. Such adjustments are not taken into account in this calculation of Shares in existence upon full conversion of the Bonds.

4. RIGHTS AND LIABILITIES ATTACHING TO THE BONDS

Terms of Bonds

A summary of the key terms and conditions of the Bonds is set out below (refer to Annexure A of the Notice of Meeting dated 15 November 2010 for the full terms of the Bonds):

- (a) **(Issue):** Convertible zero coupon Bonds to an aggregate principal value of \$1,000,000 unless otherwise agreed.
- (b) **(Interest):** Zero, except for default interest and interest on early redemption of the Bonds by the Company, both at a rate of 6%.
- (c) **(Maturity):** Maturity is on the date falling 5 years after their issue.

- (d) **(Form and Denomination):** The Bonds will be in registered form, in denominations of \$10,000 or integral multiples of \$10,000 in excess thereof.
- (e) **(Certificates):** A certificate will be issued for the Bonds.
- (f) **(Register of Subscribers):** The Company must keep a register of subscribers.
- (g) **(Transferability):** The Bonds are not transferable without the written consent of the Company.
- (h) **(Conversion Right):** The Subscriber has the right to convert Bonds into Shares at any time during the Conversion Period. The number of Shares to be delivered upon conversion shall be determined by dividing the principal amount of the Bond by the Conversion Price.
- (i) **(Conversion Period):** The period beginning on and including the date of issue of the Bond and ending on the Maturity Date.
- (j) **(Conversion Price):** The lower of:
 - (i) 120% of the average of the closing prices per Share for the 30 consecutive trading days immediately prior to the date the Bond is issued; or
 - (ii) 90% of the lowest average of the closing prices per Share in any 5 consecutive trading days during the 30 consecutive trading days immediately preceding the conversion date,
 but subject to a minimum conversion price of \$0.02 and subject to adjustment any adjustments required by clause 4 of the Terms of the Bonds.
- (k) **(Minimum Conversion):** The principle amount of Bonds to be converted in any single conversion is \$100,000.
- (l) **(AUD):** payment by the Subscriber must be made in Australian Dollars.
- (m) **(Maturity Date):** Unless previously redeemed, converted or purchased and cancelled, a Bond will be redeemed on the date falling 5 years from the date of issue of the Bonds at 100 per cent of its principal amount.
- (n) **(Redemption by Company):** The Company may redeem the Bonds early if it meets certain criteria in relation to taxation in accordance with clause 6.2 of the Terms of the Bonds.
- (o) **(Redemption by Subscriber):** The Subscriber may redeem some or all of the Bonds at any time after one year from the date of issue of the Bonds by notice in writing to the Company.
- (p) **(Early Redemption)** The Subscriber may redeem all of the Bonds in certain circumstances including:
 - (i) a change in the control of the Company;

- (ii) the Company being delisted from ASX;
- (iii) the Company becoming the subject of an insolvency event; or
- (iv) one of the following events occur:
 - (A) the Company fails to repay any amount of the principal amount or interest within 10 Business Days of becoming due and payable;
 - (B) the Company fails to issue and deliver converted Shares within 10 Business Days after a Bond is converted;
 - (C) the Company does not comply with the Terms of the Bonds or the Bond Agreement, which default is incapable of remedy, or if capable of remedy, is not remedied within 30 days after written notice of such default being given to the Company;
 - (D) any necessary consents or approvals are withdrawn;
 - (E) the Company or any subsidiary is insolvent, and an order is given to wind up the Company or any subsidiary;
 - (F) a legal process is levied, enforced or sued out against the property of the Company or a subsidiary which adversely affects the ability of the Company to perform its obligations under the Bond Agreement, and is not discharged or stayed within 30 days;
 - (G) a financier takes possession of the assets of the Company or any subsidiary; or
 - (H) any law prevents the Company from complying with any of its obligations under the Terms of the Bonds or the Bond Agreement.

- (q) **(Governing Law):** The Bond Deed will be governed by the laws of New South Wales.

Bond Agreement

A summary of the key terms and conditions of the Bond Agreement is set out below:

- (a) **(Bonds Issue):** Subject to certain conditions being met, the Company will issue to the Subscriber a minimum of Bonds of a value of \$12,000,000 (**Minimum**) and a maximum of Bonds value of \$25,000,000.
- (b) **(Timing):** Bonds can be subscribed for and issued during the period of 5 years from the issue of the Initial Tranche of Bonds. No request for Bonds can be made after 5 years from the date of the issue of the Initial Tranche of Bonds. The minimum must be issued within 18 months after the Initial Tranche is issued.

- (c) **(Conditions Precedent for Initial Tranche of Bonds):** The initial issue of Bonds under the Subscription Agreement is subject to a number of conditions precedents being met, including:
- (i) Shareholder approval;
 - (ii) closing trading price of Shares on the trading day immediately preceding the Initial Completion Date being equal to or above \$0.02;
 - (iii) 10 day volume weighted average trading price of Shares on the trading day immediately preceding the Initial Completion Date being equal to or above \$0.02;
 - (iv) either an ASIC modification for the issue of the Bonds without a disclosure document or a prospectus for the shares issued on conversion having been issued and lodged with ASIC;
 - (v) there being no injunction against the issue, no market disruption, no adverse change in legislation and the Company not being suspended from trading at the initial completion date or delisted;
 - (vi) the Share Lender and the Subscriber have entered into the Share Lending Agreement;
 - (vii) there being no breach of the Bond Agreement or material adverse change that occurs which would have an adverse material adverse effect on the assets, business, financial condition, liabilities, prospects or results of operations of the Company and its subsidiaries that could reasonably result in or could reasonably be expected to result in the inability of the Company to redeem any outstanding Bonds; and
 - (viii) the form and substance of an initial disclosure letter being satisfactory in form and substance to the Subscriber.
- (d) **(Subsequent Tranches of Bonds):** Either party may request that a subsequent Tranche of \$1,000,000 worth of Bonds be issued (or such other amount as mutually agreed). Provided the other party accepts and all conditions for subsequent issues are met, subsequent Tranches up to a cumulative amount of \$24,000,000 may be issued over a 5 year period. After the issue of the initial Tranche the Company undertakes to request subscription for 11 successive tranches of Bonds within 18 months subject to the subsequent tranche conditions.
- (e) **(Conditions for a Request for a Subsequent Tranches of Bonds):** A request for a subsequent issue of a tranche of Bonds is conditional on:
- (i) only a single Tranche being issued at a time (unless otherwise agreed);
 - (ii) the closing trading price of Shares on the trading day immediately preceding the initial completion date being equal to or above \$0.02;

- (iii) the 10 day volume weighted average trading price of Shares on the trading day immediately preceding the Initial Completion Date being equal to or above \$0.02;
 - (iv) the immediately preceding tranche of Bonds having been fully converted into Shares (unless otherwise agreed). The Company and the Subscriber have agreed that the Quarter Tranche of Bonds can be issued whilst the Company has Bonds on issue from the Initial Tranche of Bonds;
 - (v) any necessary Shareholder approval of the issue must have been obtained; and
 - (vi) a request may not be made if upon issue the Subscriber and its associates will have an interest in more than 19.9% of the capital of the Company. This has the effect of imposing a cap on the interest in Shares the Subscriber can obtain through the Bond Agreement.
- (f) **(Conditions Precedent for a Subsequent Tranches of Bonds):** In addition to similar conditions as apply for the initial issue, all necessary approvals and consents must continue to be in place and the Company must not be in breach of a warranty or undertaking.
- (g) **(Representations):** The Company has provided the Subscriber warranties with respect to, among other things, the legal, business and financial condition of the Company and its subsidiaries. The representations and warranties made by the Company to the Subscriber include representations and warranties as to, among other things:
 - (i) subject to obtaining Shareholder approval and listing approval, the Company has full power and authority to enter into and perform its obligations under the Bond Agreement and the Terms of the Bonds;
 - (ii) to the best of the Company's knowledge the Company has complied with all relevant laws in connection with the issue of the Bonds and any converted Shares; and
 - (iii) the Company is not subject to any actual or threaten litigation that might result in any material adverse change that would affect the ability of the Company perform its obligations under the Bond Agreement.
- (h) **(Undertakings):** The Company has undertaken that as long as Bonds are outstanding the Company will carry on its business in the ordinary course, not allot or grant any other convertible securities, not increase, reduce or otherwise change its share capital, not allow an insolvency event to occur to the Company or amend its constitution.
- (i) **(Termination):** The Bond Agreement:
 - (i) can be terminated by the Subscriber in writing if the issue of the Initial Tranche of Bonds is not completed within 6 months of the date of the Bond Agreement;

- (ii) can be terminated by the Subscriber in writing, if at any time prior to the payment of the price for a tranche of Bonds, the Company:
 - (A) breaches any warranty or representation under the Bond Agreement or Terms of Bonds; or
 - (B) does not perform a material obligation under the Bond Agreement or Terms of Bonds; and
 - (iii) will terminate automatically 5 years after the date the Initial Tranche of Bonds is issued.
- (j) **(Indemnity):** The Company indemnifies the Subscriber and holds the Subscriber harmless from and against all and any actions, proceedings, claims, liabilities, losses, costs and expenses (including, without limitation, all costs and expenses incurred in disputing or defending any of the foregoing on a full indemnity basis) which may be made or brought against the Subscriber or which the Subscriber may suffer or incur as a result of or in relation to any misrepresentation or alleged misrepresentation by the Company or any breach or alleged breach of the representations, warranties, undertakings and agreements on its part or any failure by it to perform its obligations under the Bond Agreement.
- (k) **(Liquidated Damages):** If the Company refuses, fails or neglects to request subscription of subsequent tranches of Bonds up to the Minimum, provided that the Company had the requisite number of opportunities to make request for subscription of subsequent tranches of Bonds, the Subscriber may claim from the Company liquidated damages amounting to 10% of the aggregate principal amount for each subsequent tranche remaining unsubscribed by the Subscriber under the Minimum.
- (l) **(Exclusivity):** The Company must ensure that neither it nor its affiliates and representatives solicit, discuss or negotiate with any person other than the Subscriber in relation to any competing proposal.

5. RIGHTS AND LIABILITIES ATTACHING TO THE SHARES

The following is a summary of the more significant rights and liabilities attaching to Shares. This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of Shareholders. To obtain such a statement, persons should seek independent legal advice.

Full details of the rights and liabilities attaching to Shares are set out in the Constitution, a copy of which is available for inspection at the Company's registered office during normal business hours.

The rights, privileges and restrictions attaching to Shares can be summarised as follows:

General meetings

Shareholders are entitled to be present in person, or by proxy, attorney or representative to attend and vote at general meetings of the Company.

Shareholders may requisition meetings in accordance with Section 249D of the Corporations Act and the Constitution of the Company.

Voting rights

Subject to any rights or restrictions attached to any class or classes of Shares for time to time, at general meetings of Shareholders or classes of shareholders:

- (a) each Shareholder entitled to vote may vote in person or by proxy, attorney or representative;
- (b) on a show of hands, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder has one vote; and
- (c) on a poll, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder shall, in respect of each fully paid share held by him, or in respect of which he is appointed a proxy, attorney or representative, have one vote per share, but in respect of partly paid Shares shall have such number of votes as bears the same proportion to the total of such Shares registered in the Shareholder's name as the amount paid (not credited) bears to the total amounts paid and payable (excluding amounts credited).

Dividend rights

Subject to the rights of persons (if any) entitled to shares with special rights to dividend, the Directors may declare a final dividend out of profits in accordance with the Corporations Act and may authorise the payment or crediting by the Company to the Shareholders of such a dividend. The Directors may authorise the payment or crediting by the Company to the Shareholders of such interim dividends as appear to the Directors to be justified by the profits of the Company. Subject to the rights of persons (if any) entitled to shares with special rights as to dividend all dividends are to be declared and paid according to the amounts paid or credited as paid on the Shares in respect of which the dividend is paid. Interest may not be paid by the Company in respect of any dividend, whether final or interim.

Winding-up

If the Company is wound up, the liquidator may, with the authority of a special resolution of the Company, divide among the Shareholders in kind the whole or any part of the property of the Company, and may for that purpose set such value as he considers fair upon any property to be so divided, and may determine how the division is to be carried out as between the Shareholders or different classes of Shareholders. The liquidator may, with the authority of a special resolution of the Company, vest the whole or any part of any such property in trustees upon such trusts for the benefit of the contributories as the liquidator thinks fit, but so that no shareholder is compelled to accept any shares or other securities in respect of which there is any liability. Where an order is made for the winding up of the Company or it is resolved by special resolution to wind up the Company, then on a distribution of assets to members, Shares classified by ASX as restricted securities at the time of the commencement of the winding up shall rank in priority after all other shares.

Transfer of shares

Generally, Shares in the Company are freely transferable, subject to formal requirements, the registration of the transfer not resulting in a contravention of or failure to observe the provisions of a law of Australia and the transfer not being in breach of the Corporations Act or the Listing Rules.

Variation of rights

Pursuant to Section 246B of the Corporations Act, the Company may, with the sanction of a special resolution passed at a meeting of shareholders vary or abrogate the rights attaching to shares.

If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class), whether or not the Company is being wound up may be varied or abrogated with the consent in writing of the holders of three-quarters of the issued shares of that class, or if authorised by a special resolution passed at a separate meeting of the holders of the shares of that class.

6. CONTINUOUS DISCLOSURE

The Company is a "disclosing entity" (as defined in Section 111AC of the Corporations Act) for the purposes of the Corporations Act and, as such, is subject to regular reporting and disclosure obligations.

Aside from the information contained in this Cleansing Statement and documents previously lodged by the Company with the ASX pursuant to its continuous disclosure obligations, there is no additional information that:

- (a) has been excluded from a continuous disclosure notice in accordance with the Listing Rules; and
- (b) is information that investors and their professional advisers would reasonably require for the purpose of making an informed assessment of:
 - (i) the assets and liabilities, financial position and performance, profits and losses and prospects of the Company; and
 - (ii) the rights and liabilities attaching to the Bonds or Shares to be issued on conversion of the Bonds.

7. ADDITIONAL INFORMATION

Right to Obtain Documents

Copies of documents lodged with ASIC in relation to the Company, including the Constitution, may be obtained from, or inspected at, an ASIC office. In addition, the Company will make available to you free of charge at any time copies of:

- (a) the Company's Annual Report for the year end 31 December 2009; and
- (b) any continuous disclosure notices given by the Company after lodgement of that Annual Report and before release of this Cleansing Statement which are:

17/03/2011	Conversion Notice and Appendix 3B
16/03/2011	Enerji Limited Wholesale Investor CEO Interview
04/03/2011	Results of Meeting
01/03/2011	Cleantech Investor Presentation
01/03/2011	Enerji Sponsors Australasian Cleantech Forum
28/02/2011	Enerji Investor Conference Call
28/02/2011	Preliminary Final Report
25/02/2011	Appoint. Company Secretary and change of Registered Office
24/02/2011	Change of Director's Interest Notice
24/02/2011	Appendix 3B
21/02/2011	Change of Director's Interest Notice
18/02/2011	Change of Director's Interest Notice – Form Correction
18/02/2011	Enerji Investor Conference Call
17/02/2011	BRR Interview – Enerji Ltd Completes PPA with Horizon Power
11/02/2011	Enerji Completes Purchase Agreement with Horizon Power
11/02/2011	Trading Halt
08/02/2011	Change of Director's Interest Notice
04/02/2011	Ceasing to be a substantial holder
04/02/2011	Appendix 3B
04/02/2011	First Drawdown from Funding Facility
02/02/2011	Cleansing Statement – 02 Feb 2011
01/02/2011	Notice of General Meeting/ Proxy Form
31/01/2011	Appendix 4C – Quarterly
04/01/2011	Trading Policy
22/12/2010	Response to ASX Query
17/12/2010	Results of Meeting
17/12/2010	Grant of Waiver of ASX Listing Rule 7.3.2
13/12/2010	Grant of Waiver of ASX Listing Rule 7.3.2
08/12/2010	Updated Investor Presentation
08/12/2010	Investor Presentation
30/11/2010	BBR Interview – Secures \$25 million Bond Finance Facility
17/11/2010	Notice of General Meeting/Proxy Form
03/11/2010	ENERJI SECURES \$25M BOND FINANCE FACILITY
01/11/2010	Company's Request for Trading Halt
01/11/2010	Trading Halt
29/10/2010	Appendix 4C – quarterly
21/10/2010	Investor Presentation

19/10/2010	Boardroom Radio Interview
12/10/2010	Appendix 3B – Cleansing Prospectus
12/10/2010	Section 708A (11) Cleansing Prospectus
12/10/2010	Appendix 3B
11/10/2010	Enerji Signs MoU with Horizon Power
08/10/2010	Placement
09/09/2010	Enerji Signs MoU with Laing O'Rourke
01/09/2010	Half Year Accounts
30/08/2010	Release from Escrow
24/08/2010	Release from Escrow
30/07/2010	Appendix 4C – quarterly
30/07/2010	Response to ASX Query
28/07/2010	Final Director's Interest Notice
22/07/2010	Reason for Prospectus Dated 15 July 2010
20/07/2010	Change of Share Registry
20/07/2010	Investor Presentation
15/07/2010	Section 708A(11) Prospectus
15/07/2010	Board Change
15/07/2010	Enerji Establishes Pipeline of Commercial Opportunities
12/07/2010	Appendix 3B
07/07/2010	Enerji Resolves Dispute with Goldenwire
17/06/2010	Enerji Progresses Commercialisation of Opcon Powerbox
31/05/2010	Results of Meeting
30/04/2010	Appendix 4C - quarterly

ASX maintains files containing publicly available information for all listed companies. The Company's file is available for inspection at ASX during normal office hours.

The announcements are also available through the ASX website <http://www.asx.com.au> or the Company's website <http://www.enerji.com.au>

ASIC

This Cleansing Statement is issued under Section 708(12C)(e) of the Corporations Act (as inserted by ASIC Class Order [CO10/322]) to enable Shares issued upon conversion of the Quarter Tranche of Bonds to be on-sold to retail investors.

The offer of the Bonds may take place outside Australia or if within Australia will be solely to professional or sophisticated investors under section 708 of the Corporations Act.

The Company's sole purpose in issuing Shares on conversion of the Bonds will be to meet its contractual obligations under the terms of the Bonds.

Consents

The issue of this Cleansing Statement has been approved by the Directors of the Company. Each Director has consented to the issue of this Cleansing Statement, and has not withdrawn that consent.

No Responsibility

Neither ASX nor the ASIC take responsibility for the contents of this Cleansing Statement.

GLOSSARY

\$ means Australian dollars.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited (ACN 008 624 691).

ASX Listing Rules means the Listing Rules of the ASX.

Board means the board of Directors of Enerji Ltd unless the context indicates otherwise.

Bond means a convertible zero coupon bond issued under the Bond Agreement.

Bond Agreement means the agreement entitled "Bond Subscription Agreement" dated 3 November 2010 between Enerji Ltd and Fortensa Special Opportunities Fund Limited.

Class Order means ASIC Class Order [CO 10/322].

Cleansing Statement means this cleansing statement.

Company means Enerji Ltd (ABN 62 009 423 189).

Constitution means the constitution of the Company as at the date of this Cleansing Statement.

Conversion Price has the meaning given to it in the Terms of the Bonds.

Corporations Act means the *Corporations Act 2001* (Cth).

Directors means the directors of the Company as at the date of this Cleansing Statement.

General Meeting means a general meeting of Shareholders held on 17 December 2010.

Initial Completion Date means the date for the completion of the issue of the Initial Tranche of Bonds, which was five business days after the fulfilment of the conditions precedent for the Initial Tranche of Bonds, or such other date as may be agreed in writing by the Parties.

Initial Tranche of Bonds means the initial tranche of Bonds issued on 4 February 2011.

Fortensa or **Subscriber** means Fortensa Special Opportunities Fund Limited a company incorporated in the Cayman Islands.

Maturity Date means 5 years from the date of issue of the Bond.

Minimum has the meaning given to that term in section 4(a) of this Cleansing Statement.

Notice of Meeting means the notice of meeting dated 15 November 2010 for the General Meeting.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a shareholder of the Company.

Share Lender means Gabrielsson Invest AB (a company incorporated in Sweden).

Share Lending Agreement has the meaning given to that term in section 1 of this Cleansing Statement.

Subscriber means Fortensa and its affiliates.

Tranche means a tranche of 100 Bonds valuing \$1,000,000.

Terms of the Bonds means the Terms and Conditions of the Bonds set out in Annexure A of the Notice of Meeting.

Quarter Tranche of Bonds means a quarter of a Tranche, being 25 Bonds valuing \$250,000.

CORPORATE DIRECTORY

Directors

Mr Greg Pennefather
Managing Director

Mr Ian Campbell
Executive Director, Chairman

Mr Rolf Hasselström
Non-Executive Director

Company Secretary

Mr Geoffrey Reid

Registered Office

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431 – 435 Roberts Road
SUBIACO WA 6008

Principal Place of Business

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